being noticed, and so is particularly dear to the adroit politician. By it nobody transfers buying power to the Government, but the Government and the bankers, who are generally most reluctant accessories to the transaction, between them create new buying power, which, coming into a restricted market for goods in addition to all the existing buying power, simply forces everybody to consume less because the money in their pockets fetches less goods owing to the rise in prices.

The evil attached to this system is obvious enough. It amounts to a tax on the general consumer in proportion to his consumption, and so it lays the sacrifice on the shoulders of those least able to bear it. No Government would have the courage to impose such a tax openly and frankly. All the warring Governments in varying degrees have used this roundabout device of imposing it, very likely being quite unaware of the fraud on the consumer that they were perpetrating. Our own Government, in fact, having first added by this process to a rise in the price of bread, then reduced it by a special subsidy—a pleasant touch of Alice in Wonderland finance. This mode of taxing by raising prices hits, of course, all those who live on fixed incomes and salaries and wages. Those who can strike, or take more out of the consumer, can evade it, and so it falls on the weakest shoulders and incidentally pro-

duces friction, discontent and dangerous suspicion.

But even it works at the time when it happens.

Each creation of new buying power gives the Government, for the moment, control of so much in goods